

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF RALPH) APPEAL NO. 06-A-2173
MCGRATH from the decision of the Board of) FINAL DECISION
Equalization of Elmore County for tax year 2006.) AND ORDER

RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing November 2, 2006, in Mountain Home, Idaho, before Hearing Officer Steve Wallace. Board Members Lyle R. Cobbs and David E. Kinghorn participated in this decision. Patti and Ralph McGrath appeared for Appellant. Assessor Jo Gridley, Chief Appraiser Joell Soboslai, Prosecuting Attorney Kristian Schindele and Terry Hughes appeared for Respondent Elmore County. This appeal is taken from a decision of the Elmore County Board of Equalization (BOE) denying the protest of the valuation for taxing purposes of property described as Parcel No. RP00148002016AA.

The issue on appeal is the market value of residential property, specifically the value attributable to land.

The decision of the Elmore County Board of Equalization is reversed.

FINDINGS OF FACT

The assessed land value is \$99,000, and the improvements valuation is \$58,487, totaling \$157,487. Taxpayer requests the land value be reduced to \$74,000, and the improvements value remain at \$58,487, totaling \$132,487.

Subject property is .61 feet of river frontage improved with a cabin. Appeal emphasis is on the lot value.

Appellant asserts that subject has an unfair assessed value. It was discovered after reviewing the County's records that subject land has a site value the same as other properties contended to be superior. Appellant believes river front property and river view property should

be valued differently, stating river front property provides access to the river and river view property provides a view of the river. It was argued subject does not have reasonable or practical access to the river because of a steep bank. It was noted a power line runs through the lot and thereby has some affect on subject's value.

Appellant found neighboring lots have different assessed values. Information from the County records was submitted. It demonstrated a discrepancy, neighboring lots having three or four times more river frontage are assessed the same as subject

Taxpayer based the \$74,000 claim for value reduction on the basis of neighboring property with similar restrictions and lower assessed values.

The Assessor reported all river front property was assessed at \$110,000 regardless of size, front footage, or slope. However a negative adjustment of 30% and 50% was made on two lots in subject subdivision. It was testified a 10% reduction was made to subject at the BOE based on the limited river access.

Respondent addressed the issue of similar lot assessments reduced by a greater percentage. The Assessor explained that one neighboring lot received a larger value reduction for more severely limited river access and another lot received a reduction for the building area restrictions of hillside development.

The County submitted three improved sales to support subject assessed value and stated that the sales were not river front property.

Respondent stated that site values were assessed on subject lot and the neighboring area based on improved sales and bare land sales. A bare land sales list was offered to demonstrate that river front acreage was selling for \$55,000 to \$250,000 per acre ranging in size from .610 acres to 4.476 acres.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

Idaho Code § 63-208 provides each assessor is required to find market value for assessment purposes. Idaho Code § 63-201(10) provides:

"Market value" means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

In determining the value of property the assessor may and should consider cost, location, actual cash sale value and all other factors, known or available to his knowledge, which affect the value of the property assessed. Merris v. Ada County, 100 Idaho 59, 593 P.2d 394 (1979).

Appellant presented several property factors unique to subject and believed the factors influence the assessed lot value. Respondent agreed its sales were not river front properties. Details of the comparable sales were not discussed. The sales chart was difficult to understand and market support or analysis for the "base value" was not provided or well-explained. Adjustments to the similar lots were not well-documented or detailed on appeal.

It is not what an expert thinks is the proper method of valuation or what is the best method, but is the method used by the assessor legitimate, fair and reasonable. Abbott v. State Tax Commission, 88 Idaho 200 at 206, 398 P.2d 221 (1965). The record reveals in several instances that all lots are not the same in subject's subdivision. Subject is specially affected by steepness and a power line. The Board is not persuaded these factors' were reasonably

considered in subject assessment.

The Board concludes the \$99,000 assessed value for .61 feet of river frontage was not reasonably supported by market price evidence. Taxpayer's evidence was persuasive on special impacts affecting subject lot. There was no substantial evidence to the contrary. We hold the relatively steep slope limiting access to the river and the power line impacts should have been considered. We were convinced by Appellant's value opinion. The decision of the Elmore County Board of Equalization will be reversed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Elmore County Board of Equalization concerning the subject parcel be, and the same hereby is, **reversed, lowering the subject assessment to \$132,487.**

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellant.

DATED this 8th day of March , 2007.